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Signed and Filed: July 11, 2019

DENNIS MONTALI  
U.S. Bankruptcy Judge

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and Debtors in Possession*

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

**In re:**

**PG&E CORPORATION,**

**- and -**

**PACIFIC GAS AND ELECTRIC  
COMPANY,**

**Debtors.**

- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric Company  
☒ Affects both Debtors

*\* All papers shall be filed in the Lead Case,  
No. 19-30088 (DM).*

Bankruptcy Case  
No. 19 -30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**ORDER PURSUANT TO  
11 U.S.C. §§ 363 AND 105(a) AND FED. R.  
BANKR. P. 6004(h) AUTHORIZING  
DEBTORS TO PURCHASE DIRECTORS  
AND OFFICERS INSURANCE**

1           Upon the Motion, dated June 10, 2019 [Docket No. 2471] (the “**Motion**”),<sup>1</sup> of  
2 PG&E Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company (the “**Utility**”), as  
3 debtors and debtors in possession (collectively, “**PG&E**” or the “**Debtors**”) in the above-  
4 captioned chapter 11 cases (the “**Chapter 11 Cases**”), pursuant to sections 363 and 105(a) of title  
5 11 of the United States Code (the “**Bankruptcy Code**”) and Rule 6004 of the Federal Rules of  
6 Bankruptcy Procedure (the “**Bankruptcy Rules**”), for authority to purchase insurance coverage  
7 in the amount of \$50 million for the benefit of the current directors and officers of the Debtors,  
8 including new officers and new directors appointed to the boards of each of the Debtors after the  
9 Petition Date, all as more fully set forth in the Motion; and this Court having jurisdiction to  
10 consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334,  
11 *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24  
12 (N.D. Cal.), and Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District  
13 Court for the Northern District of California (the “**Bankruptcy Local Rules**”); and consideration  
14 of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b);  
15 and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court  
16 having found and determined that notice of the Motion as provided to the parties listed therein is  
17 reasonable and sufficient under the circumstances, and it appearing that no other or further notice  
18 need be provided; and this Court having reviewed the Motion, the Markland Declaration, the  
19 Debtors’ reply filed in support of the Motion on July 8, 2019 [Docket No. 2882], the  
20 supplemental declaration of Janaize Markland dated July 8, 2019 [Docket No. 2883], the  
21 declaration of Theodore E. Tsekerides dated July 8, 2019 [Docket No. 2885], and the Wells  
22 Declaration (as amended on February 2, 2019 [Docket No. 263]), and having considered the  
23 objection to the Motion filed by the Official Committee of Unsecured Creditors and its supporting  
24 papers [Docket Nos. 2829, 2831, 2833, 2835, 2875, 2876, 2877, 2878]; and this Court having  
25 held a hearing on the Motion; and this Court having determined that the legal and factual bases  
26 set forth in the Motion establish just cause for the relief granted herein; and it appearing that the  
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28 <sup>1</sup> Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Motion.

1 relief requested in the Motion is in the best interests of the Debtors, their estates, creditors,  
2 shareholders, and all parties in interest; and upon all of the proceedings had before this Court and  
3 after due deliberation and sufficient cause appearing therefor, for the reasons stated on the record  
4 at the hearing of the Motion,

5 **IT IS HEREBY ORDERED THAT:**

- 6 1. The Motion is granted as provided herein.
- 7 2. The Debtors are authorized, but not directed, pursuant to sections 363 and  
8 105(a) of the Bankruptcy Code, to enter into, purchase, and procure the EIS Policy and to pay the  
9 amount of \$50 million to the protected cell on account of the premium payment and capital  
10 contribution pursuant to the terms thereof.
- 11 3. Nothing herein alters or amends the terms and conditions of any of the  
12 Insurance Policies (as defined in the Final Insurance Order) or relieves the Debtors of any of their  
13 obligations under the Insurance Policies.
- 14 4. Notwithstanding entry of this Order, nothing herein shall create, nor is  
15 intended to create, any rights in favor of or enhance the status of any claim held by, any party.
- 16 5. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Order shall  
17 be immediately effective and enforceable upon its entry.
- 18 6. The Debtors are authorized to take all steps necessary or appropriate to carry  
19 out this Order.
- 20 7. This Court shall retain jurisdiction to hear and determine all matters arising  
21 from or related to the implementation, interpretation, or enforcement of this Order.

22 APPROVED AS TO FORM:

23 Dated: July 9, 2019

24 MILBANK LLP

25 /s/ Gregory A. Bray

Gregory A. Bray

26 *Attorneys for Official Committee of Unsecured Creditors*

27 **\*\* END OF ORDER \*\***